Harbour Energy plc

Remuneration Committee

Terms of Reference

1.0 CONSTITUTION

1.1 The Remuneration Committee (the "Committee") is established as a committee of the Board of Directors. The role and responsibilities of the Committee shall be as detailed in these terms of reference and shall not be amended except with the approval of the Board.

2.0 ROLE

2.1 The role of the Committee is to assist the Board to fulfil its responsibility to shareholders to ensure that remuneration policy and practices of the Company reward fairly and responsibly, with a clear link to corporate and individual performance, having regard to statutory and regulatory requirements.

2.2 In particular, in relation to Senior Management (senior executives of the Company determined by the Committee as being within their remit, including Executive Directors), the Committee shall consider:

- Remuneration policies, including base pay, long and short term incentives;
- Remuneration practice and its cost to the Company;
- Recruitment, service contracts and severance policies;
- Pension and superannuation arrangements and other benefits;
- The engagement and independence of external remuneration advisers.

3.0 MEMBERSHIP

3.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee and in consultation with the Chair of the Remuneration Committee.

3.2 The Committee shall comprise at least three members all of whom shall be independent Non-Executive Directors. The Chair of the Board may also serve on the Committee as an additional member if he or she was considered independent on appointment as Chair.

3.3 The Board shall appoint the Chair of the Committee who shall be an independent non-executive director. Before appointment as Chair of the Committee, the appointee should have served on a remuneration committee for at least 12 months. In the absence of the Committee Chair or an appointed Deputy Chair, the remaining members shall elect one of their number to chair the meeting. The Chair of the Board shall not be Chair of the Committee.

3.4 Appointments to the Committee shall be for a period of up to three years extendable by no more than two additional three-year periods, so long as members still meet the criteria for membership of the Committee.

4.0 COMMITTEE SECRETARY

4.1 The Company Secretary (or his/her nominee) shall act as Secretary to the Committee and shall provide all necessary support to the Committee.

5.0 QUORUM

5.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. Matters requiring the Committee's formal decision shall be decided by majority vote.

6.0 FREQUENCY OF MEETINGS

6.1 The Committee shall meet at least three times a year and at such other times as the Chair of the Committee considers necessary to discharge its responsibilities.

7.0 ATTENDANCE

7.1 Only members of the Committee have the right to be present at Committee meetings but other individuals may be invited to attend all or part of any meeting as appropriate. No individual shall be in attendance when matters relating to his or her own remuneration are discussed.

Other directors, the Chief HR Officer, SVP – Total Rewards, Executive Compensation Advisor and external advisers may be invited to attend all or part of any meeting as and when appropriate.

7.2 Meetings of the Committee may be conducted when all or any of the members are either physically present together or participating by audio or video conference.

8.0 NOTICE OF MEETINGS

8.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Committee Chair. Special meetings may be requested by any member of the Committee.

8.2 Notice of Committee meetings, together with an agenda of items to be discussed and supporting documents, shall be circulated to members and other attendees (as appropriate) in advance of each scheduled meeting date. The Secretary shall ensure that an agenda and supporting papers are received in a timely manner to enable full and proper consideration.

9.0 MINUTES OF MEETINGS

9.1 The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

9.2 The Secretary of the Committee shall circulate the minutes of meetings of the Committee to the Committee Chair for review and subsequently to all members of the Committee. Once the minutes have been agreed, on the instruction of the Chair of the Committee, the minutes shall be circulated to other members of the Board unless a conflict of interest would arise in doing do.

9.3 A resolution in writing and signed by all Committee members will be as effective as a resolution passed at a Committee meeting. Any written resolution shall be tabled and noted at the next meeting of the Committee and shall be circulated to the Board of Directors unless a conflict of interest would arise from such circulation.

10.0 ANNUAL GENERAL MEETING

10.1 The Chair of the Committee shall attend the AGM and be prepared to respond to any shareholder questions on the Committee's activities.

11.0 DUTIES

The Committee's specific responsibilities are:

11.1 Chair of the Board's remuneration

11.1.1 To consider and approve the remuneration package of the Chair of the Board.

11.2 Remuneration policy

To consider and recommend to the Board the broad policy for the remuneration and incentivisation of the Executive Directors and other members of Senior Management (i.e. the senior executives) which should take account of the need to promote the long-term sustainable success of the Company without paying more than is necessary, having regard to the views of shareholders and other stakeholders and ensuring that Executive Directors and Senior Management are rewarded in a fair and responsible manner and are provided with appropriate incentives to encourage enhanced performance and are rewarded for their performance.

11.2.1 When setting the remuneration policy the Committee shall also review and have regard to:

- An appropriate balance between fixed and performance-related remuneration, immediate and deferred remuneration;
- The business strategy of the Company and how the policy reflects and supports the business strategy and aligns to company purpose and values;
- The Company's risk appetite and risk management strategy ensuring that the remuneration policy is aligned to the Company's risk policies and systems and long term strategic goals;
- Remuneration trends and employment conditions across the Group.

11.3 Executive Directors and Senior Management remuneration

11.3.1 Within the terms of the agreed policy and after consultation with the Chair of the Board and/or Chief Executive Officer ("CEO"), as appropriate, determine the total remuneration package of each Executive Director and approve the total remuneration package of other members of Senior Management (and the Company Secretary if that person is not a member of Senior Management), including pension, benefits, bonuses, share awards and other incentive payments. When consulting the CEO or receiving views from executive directors or senior management about its proposals, the Committee shall ensure that any conflicts of interest are recognised and managed accordingly;

11.3.2 Approve any salary increases, taking into consideration the effect that increases in base pay have on the overall quantum of remuneration, including the pension consequences and associated costs to the Company, Approve the share ownership policy including in relation to post-employment shareholding requirements, encompassing both unvested and vested shares;

11.3.3 Approve the terms and conditions of employment, with due consideration to the compensation commitments (including pension contributions and all other elements) that Executive Directors' terms of appointment would entail in the event of early termination with the aim of avoiding rewarding poor performance;

11.3.4 Approve the termination arrangements and any other payments on the basis that the individual is treated fairly but that failure is not rewarded and that the duty to mitigate loss suffered by him or her is fully recognised;

11.3.5 Approve the policy for authorising claims for expenses from the Executive Directors.

11.4 Performance-related remuneration and share schemes

11.4.1 Approve any bonus scheme operated by the Company, ensuring that such schemes include provisions that would enable the Company to recover sums paid or withhold the payment of any sum, and specify the circumstances in which it would be appropriate to do so;

Determine corporate-level annual targets and key performance indicators for bonus schemes operated by the Company and assess performance against such targets and key performance indicators. Any BU level scorecards (if required for bonus purposes) will be approved by the CEO and, wherever possible, aligned with corporate-level targets that apply to other employees;

11.4.2 To review and recommend to the Board (i) the establishment of any employee share plan, ensuring that any non-UK HMRC approved plans include provisions that would enable the Company to recover sums paid or withhold the payment of any sum and specify the circumstances in which it would be appropriate to do so; and (ii) material amendments to the Company's existing share plans, and to approve any non-material amendments to the Company's existing share plans;

11.4.3 Having due regard to the Company's financial position and share price, review and approve the grant of long term incentive awards including determining each year whether awards will be made and, if so, the overall amount of such awards, the setting and monitoring of any performance conditions subject to which any long term incentive awards may be granted under any schemes adopted by the Company, ensuring that such schemes include provisions that would enable the Company to recover sums paid or withhold the payment of any sum, and specify the circumstances in which it would be appropriate to do so;

11.4.4 To ensure that all incentive schemes are aligned to the Company's strategy, risk policies and systems;

11.5 Joiners, leavers and retention

11.5.1 With respect to members of the Senior Management Group (with the exception of Executive Directors), the Committee has delegated authority to the Chair of the Committee to approve any one off share awards for new joiners, retention awards for existing employees, and to determine the status for leavers, with a report detailing such awards and leaver status being submitted to the subsequent Committee meeting. With respect to employees who are not members of the Senior Management Group, the Committee has delegated authority to approve any one off share awards for new joiners, retention awards for existing employees, and to determine the status for leavers to the Chief HR Officer except in instances exceeding a monetary limit in which case approval by both the Chief HR Officer and the CEO is required; a summary report detailing such awards and leaver status will be submitted to the subsequent Committee meeting. Details of the monetary limits can be found in the table in appendix 1;

11.5.2 In the event of the sale of an asset or business unit, the Committee will approve the principles to be followed for the treatment of reward elements and may then delegate execution of the principles for leavers to the CEO for approval. For the avoidance of doubt, any leaver treatment for Senior Management will continue to be approved in accordance with 11.5.1 above.

11.6 Workforce remuneration, pay gaps and ratios

To review (in consultation with the Nomination Committee if appropriate) workforce[1] remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for Executive Director remuneration, and engage with the workforce to explain the alignment between executive remuneration policy and wider company pay policy. This review should include an assessment of the ways in which the policies address pay gaps and ratios.

[1] The use of 'workforce' is for UK Corporate Governance Code purposes and not meant to align with legal definitions of workforce, employee, worker or similar. For the Committee's purpose, workforce is intended to include individuals engaged under an employment contract (F/T; P/T or fixed term).

11.7 Other

11.7.1 To assess the overall reasonableness of total rewards with discretion to adjust outcomes where they would not otherwise align with individual performance or meet the intention of the remuneration policy, subject to and in accordance with the rules of any share-based remuneration schemes;

11.7.2 To approve the purchase of shares for an employee benefit trust, if appropriate;

11.7.3 Oversee any major changes in employee benefits structures throughout the Company;

11.7.4 To consider other matters as from time to time referred to it by the Board;

11.7.5 To agree the membership of Senior Management;

11.7.6 To work and liaise as necessary with all other Board committees.

11.8 Annual performance evaluation

11.8.1 At least once a year, to review the Committee's own performance, constitution and terms of reference to ensure maximum effectiveness and compliance with corporate governance best practice. Based on this review the Committee shall recommend any changes it considers necessary to the Board for approval.

12.0 NON-EXECUTIVE DIRECTORS' REMUNERATION

12.1 The remuneration of the non-executive directors (other than the Chair of the Board) shall be a matter for the Board (subject always to paragraph 13.1).

13.0 OWN REMUNERATION

13.1 No director or member of Senior Management shall be involved in any decisions as to their own remuneration.

14.0 COMMITTEE ADVISERS

14.1 The Committee may obtain, and determine the fees for, such independent professional advice or other support it requires and to commission any reports or surveys it deems necessary to fulfil its obligations. The Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee and may secure their attendance at its meetings.

14.2 The Committee shall evaluate the support provided by its advisers annually and satisfy itself that any advice received was independent and objective.

14.3 The Committee shall exercise independent judgement when evaluating the advice of such external third parties.

14.4 The Chief HR Officer shall have independent access to the Chair of the Committee.

15.0 REPORTING RESPONSIBILITIES

15.1 The Committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

15.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

15.3 Directors' Remuneration Report

15.3.1 The Committee shall, after the end of each financial year, prepare a report incorporating a "Committee Chair's Annual Statement", a "Directors' Remuneration Policy" (subject to a binding shareholder vote, when required by law) (or a summary of the Policy in each year where a vote is not required) and an "Annual Report on Remuneration" (subject to an advisory shareholder vote), to enable the Board to report to shareholders annually on matters relating to executive remuneration as required by the Companies Act 2006, the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (together the "Remuneration Regulations"), the UK Corporate Governance Code, the Listing, Prospectus, Disclosure and Transparency Rules of the UK Listing Authority and any other applicable regulations from time to time in force and otherwise as the Committee considers appropriate.

15.3.2 If the Committee has appointed remuneration consultants, the Directors' Remuneration Report shall include the disclosures required under the aforementioned Remuneration Regulations, including a statement as to how the Committee has satisfied itself that the advice received has been objective and independent, and where the Committee deems it appropriate, disclosure of the factors that were taken into account by the Committee when determining that the advice was appropriate, objective and independent.

15.3.3 The Committee may include (amongst other things) the following in the annual report: description of the strategic rationale for the remuneration policy and structure, an explanation of the appropriateness of the executive directors' remuneration, a description of the engagement with the key stakeholders and details of any exercise of discretion.

15.4 Shareholder engagement

15.4.1 The Committee shall, in conjunction with the Chair of the Board, ensure that the Company maintains contact as required with its principal shareholders and any proxy advisory agencies it wishes to about remuneration policy. Where there is a significant vote against the remuneration policy or remuneration report (more than 20% of the votes against), it shall take any necessary actions to understand the reasons for the dissent and publish an explanation of the reasons and outline what the Board and the Committee have done to address the dissent;

15.4.2 The Committee shall make available its terms of reference on the Company's website explaining its role and the authority delegated to it.

15.4.3 As set out in section 10, the Chair of the Committee should attend the AGM and be prepared to respond to any shareholder questions on the Committee's activities.

15.4.4 The Chair of the Committee and/or Committee members will make themselves available should shareholders seek engagement on significant matters related to the Committee's areas of responsibility.

16.0 GENERAL

16.1 The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members. Individual training shall be discussed and agreed with the Company Secretary.

16.2 In carrying out its duties, the Committee shall give due consideration to all relevant laws and regulations, in particular, the directors' duties contained in the Companies Act 2006, the principles and provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules and best practice recommendations, as appropriate.

Appendix 1 – Approval Requirements Table for Joiners, Leavers and Retention Arrangements

	Chief HR Officer	Chief HR Officer and CEO	Remuneration Committee
Sign on arrangements for new joiners	Up to and including £●	Over £● and less than £● for any job levels below Senior Management Group	• Any awards for Senior Management Group • Any awards of £● or more for job levels below Senior Management Group
Leaver Status	For all job levels below Senior Management Group	Not applicable	For all roles in Senior Management Group
Retention Awards	Up to and including £●	Over £● and less than £● for any job levels below Senior Management Group	• Any awards for Senior Management Group • Any awards of £● or more for job levels below Senior Management Group

Approved by the Remuneration Committee	4 August 2026
Approved by the Board	5 August 2026